

Template for discussion report and analysis of the board of directors of the listed public shareholding company

Date	30 th Sep 2020
Name of the Listed Company	Al Wathba National Insurance Company (PJSC)
The period of the financial statements covered by the report	Third Quarter 2020
Overview of the main results during the financial period	GWP: AED 259.5 M Net Underwriting Income: AED 33.13 M Net Investment Income: AED (38.67) M Net Profit: (5.5) M
Securities issued during the financial period	NA
Summary of the most important non-financial events and developments during the financial period	AWNIC utilized it's digital infrastructure to respond effectively to COVID -19 pandemic to deliver uninterrupted services.
Summary of operational performance during the financial period	During this year 2020, we have achieved remarkable growth in total premiums to reach 259.5 million dirhams, with a growth rate of 36% and the net written premiums amounted to 185 million dirhams. The company has achieved a net insurance profit of 33.13 million dirhams, compared to 31.68 million dirhams for the same period of 2019 Net loss from investment amount to 38.67 M on account of the COVID 19 impact on financial investments of the company
Summary of profit and loss during the financial period	Net loss for the period is AED 5.5M compared to net profit of AED 35.63 M for the prior year
Summary of financial position as at the end of the financial period	Total Deposits & Cash: AED 312M Total Technical Reserve: AED 391M Total Share Holders Equity: AED 678M



Summary of cash flows during the financial period	<p>Net Cash generated from operating Activities: AED 56.70M</p> <p>Net Cash Generated in Investing Activities: AED 139.70M</p> <p>Net Cash Generated in Financing Activities: AED 254.61M</p>
Main performance indicators	<p>GWP Growth: 36%</p> <p>Net Loss Ratio: 44%</p> <p>Net Expense Ratio: 34%</p> <p>Combined Ratio: 78%</p>
Expectations for the sector and the company's role in these expectations	The company expects slightly higher growth in the overall insurance market. Launching of new products, technological innovations and regulatory changes will be key drivers. The company expects to increase its overall market share for FY 2020 by strengthening the distribution channels.
Expectations regarding the economy and its impact on the company and the sector	The insurance sector is also facing the impact of a regressing economy due to COVID -19 . We expect financial market & Economy to recover over time.
Future plans for growth and changes in operations in future periods	AWNIC will focus on the digitization to drive business growth and operational effectiveness
The size and impact of current and projected capital expenditures on the company	Net Capital expenses for Q3 2020 was AED 925K
The developments of the implementation of projects, plans and transactions and deals that were discussed by the company's board of directors in the report for the previous fiscal year	The Company's board actively monitors and reviews the performance of the company against the set plans and approved projects. Appropriate course corrections are advised by the Board to the management at the Board meetings to steer the company in the right track.

The Name of the Authorized Signatory	Bassam Chilmeran
Designation	Chief Executive Officer
Signature and Date	12 November 2020 
Company's Seal	

